

APPENDIX G - FINANCIAL DOCUMENTATIONAPPENDIX G-1
COMPOSITE OVERVIEW
COST NEUTRALITY FORMULA

INSTRUCTIONS: Complete one copy of this Appendix for each level of care in the waiver. If there is more than one level (e.g. hospital and nursing facility), complete a Appendix reflecting the weighted average of each formula value and the total number of unduplicated individuals served.

Factors D', G and G' were derived from the FY 1999 372 (Initial) Report and increased by 1.8% per year for FY00 through FY04.

LEVEL OF CARE: Diverted or Deinstitutionalized ICF-MR DD

YEAR	FACTOR D	FACTOR D'	FACTOR G	FACTOR G'
1 FY02	<u>\$7,756.60</u>	<u>\$7,856</u>	<u>\$112,257</u>	<u>\$3,412</u>
2 FY03	<u>\$7,756.60</u>	<u>\$7,997</u>	<u>\$114,278</u>	<u>\$3,473</u>
3 FY04	<u>\$7,756.60</u>	<u>\$8,141</u>	<u>\$116,335</u>	<u>\$3,536</u>

FACTOR C: NUMBER OF UNDUPLICATED INDIVIDUALS SERVED

YEAR	UNDUPLICATED INDIVIDUALS
1	<u>320</u>
2	<u>320</u>
3	<u>320</u>
4	<u>N/A</u>
5	<u>N/A</u>

EXPLANATION OF FACTOR C:

Check one:

DATE: _____

_____ The State will make waiver services available to individuals in the target group up to the number indicated as factor C for the waiver year.

 X The State will make waiver services available to individuals in the target group up to the lesser of the number of individuals indicated as factor C for the waiver year, or the number authorized by the State legislature for that time period.

The State will inform HCFA in writing of any limit which is less than factor C for that waiver year.

APPENDIX G-2

METHODOLOGY FOR DERIVATION OF FORMULA VALUES

FACTOR D

LOC: HCBS Community Supports Waiver

The July 25, 1994 final regulation defines Factor D as:

"The estimated annual average per capita Medicaid cost for home and community-based services for individuals in the waiver program."

The demonstration of Factor D estimates is on the following page.

APPENDIX G-2

FACTOR D

LOC: HCBS Community Supports Waiver

Demonstration of Factor D estimates:

DATE: _____

Factor D estimates are based on a \$7,800 total allocation for every individual served in the Community Supports waiver for FY02, FY03 and FY04

The services purchased with the maximum \$7,800 allocation varied by individual in FY00 and FY01. The cost plans for these individuals were split out into service categories similar to the current Community Supports service definitions. Services were billed and paid via the AWACs payment system, with an edit in the TEAMS screen (specifically, in the WACI screen of TEAMS) to prevent payment of Medicaid funds to persons not opened for the waiver and/or not currently eligible for Medicaid.

In an effort to simplify billing and payment, a single service code was initially used for all persons in Community Supports for the period from 10/99 through 2/01. In response to a request from the Denver HCFA office, a spreadsheet was developed to break out five service categories for each individual, based on the service categories of the pre-existing waiver. Development of the following utilization estimates was based on the sampling of individual cost plans based developed in FY 01. The following utilization projections are based on the purchase of services in 52 of the more than 200 agreement plans developed during FY 01. These plans represent recipients from a variety of providers from each of the five state regions.

The following utilization projections are for each of the three waiver years, since there are no funding increases planned for these services at this time.

Waiver Year 1 X 2 3 4 N/A 5 N/A

Waiver Service	Undup client count	Average # Units/ User	Ave. Unit Cost	Ave. Annual cost	Total
homemaker	6	104 hours/ year	13.70/hr	1,424.80	8,548.80
personal care	6	104 hours/ year	13.70/hr	1,424.80	8,548.80
adult companion	12	208 hours/ year	12.02/hr	2,500.16	30,001.92
respite	105	283 hours/ year	12.02/hr	3,401.66	357,174.30

DATE: _____

residential habilitation	172	285 hours/ year	13.70/hr	3,904.50	671,574.00
prevocational & day hab	135	271 hours/ year	13.70/hr	3,712.70	501,214.50
supported employment	25	146 hours/ year	13.70/hr	2,005	50,005.
educational (course work)	54	3 courses/ year	700/ course	2,751	148,554
educational (supplies)		3 educational items/ year	217/ course		
environmental mods	18	1 modification/ year	3,126/ mod	3,126	56,268
transportation (rides)	230	208 rides/ year	5.00/ ride	1,040/ year	286,522
transportation (client driving related expenses)	22	2 driving related items/ year	1,075.5/ item	2,151/ year	
specialized medical & adaptive equipment	31	One item	244/ item	244/ year	7,564
private duty nursing	4	80 hours/ year	12.5/ ½ hour	2,000/ year	8,000
social, leisure, rec	123	104 outings/ year	24.87/ outing	2,586.48 year	318,137.04
health/safety/ maintenance	50	2 safety related items/ year	300/ item	600/year	30,000
GRAND TOTAL (SUM OF COLUMN E)					2,482,112.36

TOTAL ESTIMATED UNDUPLICATED RECIPIENTS	320
FACTOR D (divide total dollars by total recipients)	\$7,756.60
AVERAGE LENGTH OF STAY (Based on FY 99 372 Initial report)	343

Waiver Year 1 _____ 2 X 3 _____ 4 N/A 5 N/A

Waiver Service	Undup client count	Average # Units/ User	Ave. Unit Cost	Ave. Annual cost	Total
homemaker	6	104 hours/ year	13.70/hr	1,424.80	8,548.80
personal care	6	104 hours/ year	13.70/hr	1,424.80	8,548.80
adult companion	12	208 hours/ year	12.02/hr	2,500.16	30,001.92
respite	105	283 hours/ year	12.02/hr	3,401.66	357,174.30
residential habilitation	172	285 hours/ year	13.70/hr	3,904.50	671,574.00
prevocational & day hab	135	271 hours/ year	13.70/hr	3,712.70	501,214.50
supported employment	25	146 hours/ year	13.70/hr	2,002.20	50,005

DATE: _____

educational (course work)	54	3 courses/ year	700/ course	2,751	148,554
educational (supplies)		3 educational items/ year	217/ course		
environmental mods	18	1 modification/ year	3,126	3,126	56,268
transportation (rides)	230	208 rides/ year	5.00/ ride	1,040/ year	286,522
transportation (client driving related items)	22	2 driving related items/ year	1,075.5/ item	2,151/ year	
specialized medical & adaptive equipment	31	One item per year	244/ item	244/ year	7,564
private duty nursing	4	80 hours/ year	12.5/ ½ hour	2,000/ year	8,000
social, leisure, rec	123	104 outings/ year	24.87/ outing	2,586/ year	318,137.04
health/safety/ maintenance	50	2 safety related items/ year	300/ item	600/year	30,000
GRAND TOTAL (SUM OF COLUMN E)					2,482,112. 36
TOTAL ESTIMATED UNDUPLICATED RECIPIENTS					320
FACTOR D (divide total dollars by total recipients)					\$7,756.60
AVERAGE LENGTH OF STAY (Based on FY 99 372 Initial report)					343

Waiver Year 1_____ 2_____ 3 X 4 N/A 5 N/A

Waiver Service	Undup client count	Average # Units/ User	Ave. Unit Cost	Ave. Annual cost	Total
homemaker	6	104 hours/ year	13.70/hr	1,424.80	8,548.80
personal care	6	104 hours/ year	13.70/hr	1,424.80	8,548.80
adult companion	12	208 hours/ year	12.02/hr	2,500.16	30,001.92
respite	105	283 hours/ year	12.02/hr	3,401.66	357,001.92
residential habilitation	172	285 hours/ year	13.70/hr	3,904.50	671,574.00
prevocational & day hab	135	271 hours/ year	13.70/hr	3,712.70	501,214.50
supported employment	25	146 hours/ year	13.70/hr	2,000.20	50,005
educational (course work)	54	3 courses/ year	700/ course	2,751	148,554
educational (supplies)		3 educational items/ year	217/ course		
environmental mods	18	1 modification/ year	3,126	3,126	56,268

DATE: _____

transportation (rides)	230	208 rides/ year	5.00/ ride	1,040/ year	286,522
transportation (client driving related items)	22	2 driving related items/ year	1,075.5/ item	2,151/ year	
specialized medical & adaptive equipment	31	One item per year	244/ item	244/ year	7,564
private duty nursing	4	80 hours/ year	12.5/ ½ hour	2,000/ year	8,000
social, leisure, rec	123	104 outings/ year	24.87/ outing	2,586/ year	318,137.04
health/safety/ maintenance	50	2 safety related items/ year	300/ item	600/year	30,000
GRAND TOTAL (SUM OF COLUMN E)					2,482,112.36
TOTAL ESTIMATED UNDUPLICATED RECIPIENTS					320
FACTOR D (divide total dollars by total recipients)					\$7,756.60
AVERAGE LENGTH OF STAY (Based on FY 99 372 Initial report)					343

APPENDIX G-3
METHODS USED TO EXCLUDE PAYMENTS FOR ROOM AND BOARD

The purpose of this Appendix is to demonstrate that Medicaid does not pay the cost of room and board furnished to an individual under the waiver.

- A. The following service(s), other than respite care*, are furnished in residential settings other than the natural home of the individual(e.g., foster homes, group homes, supervised living arrangements, assisted living facilities, personal care homes, or other types of congregate living arrangements). (Specify):

Any of the allowable services in Appendix B2 may be delivered to persons in licensed foster homes or personal care homes, as long as these services are not integral with services customarily available to persons in these settings, the services are written in the plan of care, and the plan of care is approved by the department.

*NOTE: FFP may be claimed for the cost of room and board when provided as part of respite care in a Medicaid certified NF or ICF/MR, or when it is provided in a foster home or community residential facility that meets State standards specified in this waiver.)

- B. The following service(s) are furnished in the home of a paid care giver. (Specify):

N/A

Attached is an explanation of the method used by the State to exclude Medicaid payment for room and board. N/A

APPENDIX G-4
METHODS USED TO MAKE PAYMENT FOR RENT AND FOOD EXPENSES OF AN UNRELATED LIVE-IN CARE GIVER

DATE: _____

Check one:

 X The State will not reimburse for the rent and food expenses of an unrelated live-in personal care giver who lives with the individual(s) served on the waiver.

 The State will reimburse for the additional costs of rent and food attributable to an unrelated live-in personal care giver who lives in the home or residence of the individual served on the waiver. The service cost of the live-in personal care giver and the costs attributable to rent and food are reflected separately in the computation of factor D (cost of waiver services) in Appendix G-2 of this waiver request.

Attached is an explanation of the method used by the State to apportion the additional costs of rent and food attributable to the unrelated live-in personal care giver that are incurred by the individual served on the waiver.

DATE: _____

APPENDIX G-5

FACTOR D'

LOC: HCBS DD Waiver #0209.90 (persons similar to the CS waiver population)

NOTICE: On July 25, 1994, HCFA published regulations which changed the definition of factor D'. The new definition is:

"The estimated annual average per capita Medicaid cost for all other services provided to individuals in the waiver program."

Include in Factor D' the following:

The cost of all State plan services (including home health, personal care and adult day health care) furnished in addition to waiver services WHILE THE INDIVIDUAL WAS ON THE WAIVER.

The cost of short-term institutionalization (hospitalization, NF, or ICF/MR) which began AFTER the person's first day of waiver services and ended BEFORE the end of the waiver year IF the person returned to the waiver.

Do NOT include the following in the calculation of Factor D':

If the person did NOT return to the waiver following institutionalization, do NOT include the costs of institutional care.

Do NOT include institutional costs incurred BEFORE the person is first served under the waiver in this waiver year.

If institutional respite care is provided as a service under this waiver, calculate its costs under Factor D. Do not duplicate these costs in your calculation of Factor D'.

APPENDIX G-5

FACTOR D' (cont.)

DATE: _____

LOC: HCBS DD Waiver 0208.90, serving a similar target population

Factor D' is computed as follows (check one):

☐ Based on HCFA Form 2082 (relevant pages attached).

☐ Based on HCFA Form 372 for years____ of waiver
#_____, which serves a similar target population.

☐ Based on a statistically valid sample of plans of care for
individuals with the disease or condition specified in item 3 of
this request.

☒ Other (specify):

Based on HCFA Form 372 for waiver year FY 99 of waiver #0208.90,
which serves a similar population. A (CPI-U based) annual
percentage increase of 1.8% was factored in annually for the
period from FY 99 through FY 04.

DATE: _____

LOC: Montana's ICFs-MR DD

"The estimated annual average per capita Medicaid cost for hospital, NF, or ICF/MR care that would be incurred for individuals served in the waiver, were the waiver not granted."

Factor G is computed as follows:

 X Based on trends shown by HCFA Form 372 for years FY99 of waiver # 0208.90, which reflect costs for an institutionalized population at this LOC. Attached is an explanation of any adjustments made to these numbers.

Based on actual case histories of individuals institutionalized with this disease or condition at this LOC. Documentation attached.

Based on State DRGs for the disease(s) or condition(s) indicated in item 3 of this request, plus outlier days. Descriptions, computations, and an explanation of any adjustments are attached to this Appendix.

DATE : _____

If institutional respite care is provided as a service under this waiver, calculate its costs under Factor D. Do not duplicate these costs in your calculation of Factor G.

APPENDIX G-7

FACTOR G'

LOC: Montana's ICFs-MR DD

The July 25, 1994 final regulation defines Factor G' as:

"The estimated annual average per capita Medicaid costs for all services other than those included in Factor G for individuals served in the waiver, were the waiver not granted.

Include in Factor G' the following:

The cost of all State plan services furnished WHILE THE INDIVIDUAL WAS INSTITUTIONALIZED.

The cost of short-term hospitalization (furnished with the expectation that the person would return to the institution) which began AFTER the person's first day of institutional services.

If institutional respite care is provided as a service under this waiver, calculate its costs under Factor D. Do not duplicate these costs in your calculation of Factor G'.

APPENDIX G-7

FACTOR G'

LOC: Montana's ICFs-MR DD

Factor G' is computed as follows (check one):

DATE: _____

_____ Based on HCFA Form 2082 (relevant pages attached).

X Based on HCFA Form 372 for years FY 99 of waiver
0208.90, which serves a similar target population.

_____ Based on a statistically valid sample of plans of care for
individuals with the disease or condition specified in item 3 of
this request.

_____ Other (specify):

APPENDIX G-8

DEMONSTRATION OF COST NEUTRALITY

LOC: HCBS Community Supports Waiver

YEAR 1

FACTOR D: \$7,756.60 FACTOR G: \$112,257

FACTOR D': \$7,856 FACTOR G': \$3,412

TOTAL: \$15,612.60 < TOTAL: \$115,669

YEAR 2

FACTOR D: \$7,756.60 FACTOR G: \$114,278

FACTOR D': \$7,997 FACTOR G': \$3,473

TOTAL: \$15,753.60 < TOTAL: \$117,751

DATE: _____

YEAR 3

FACTOR D: \$7,756.60 FACTOR G: \$116,335

FACTOR D': \$8,141 FACTOR G': \$3,536

TOTAL: \$15,897.60 < TOTAL: \$119,871

DATE: _____